

General CBDO Information

(a) LEAD RESPONDENT

Name: REBOUND, Inc.
Address: 1535 West Broadway, Louisville, KY 40203
Phone: (502) 566-3369
Email: kdunlap@lul.org
Contact Person: Kevin Dunlap, Executive Director

(b) Amount of Program Funds Requested: \$2,100,000.00

(c) Applicant Type: CHDO/CBDO

Mission - "Rebuilding Our Neighborhood Dwellings," known as REBOUND, Inc. creates a positive impact in housing and economic development, while helping low-to-moderate income families to have access to quality housing within our historic urban neighborhoods.

(d) Board of Directors: See Enclosure

(e) Eligibility Status: REBOUND Inc. is 501(c)3 charitable organization formed in 1993 as the housing development arm of the Louisville Urban League. REBOUND identifies as a community based development corporation and meets the standards of the community based development organization.

Year Established: 1993
Federal Certification: CHDO Recertification - September, 2019
Organizational Capacity: 3 Full-time Staff and 13 Board Directors
Financial Capacity (2019): \$579,811 in Annual Operations and \$1,231,362 in Total Assets

The subject proposal seeks to establish a community land trust by leveraging the expertise and mission of two flagship community development organizations with origins in communities of color within Louisville's urban core. REBOUND, Inc. and Bates Community Development Corporation are examples of comprehensive community development organizations with a proven track record in responding to community need. REBOUND's efforts are typically focused on providing high-quality housing alternatives while Bates CDC has focused on providing educational and health-related support for families and individuals. Bates CDC desires to become more ingrained in the real-estate and homeownership aspects of the Smoketown neighborhood. As such, River City Housing will be joining as a development partner to broaden Bates' capacity to enter the housing production market and create community-serving facilities for Smoketown residents.

DEVELOPMENT PARTNERS:

Name: Bates, CDC
Address: 1228 S. Jackson St- Louisville, KY 40203
Phone: (502) 636-0573
Email: nachandt@batescdc.com
Contact Person: Nachand Trabue, Executive Director
Year Established: 1996
Organizational Capacity: 5 Full-time Staff, 8 Board Directors and 40 Volunteers per month
Financial Capacity (2018): \$185,813 in Annual Operations and \$10,669 in Total Assets

Name: River City Housing
Address: 120 Webster Street, Suite 325, Louisville, KY 40206
Phone: (502) 640-1186
Email: beckyr@rivercityhousing.org
Contact Person: Becky Roehrig, President & Chief Empowerment Officer
Year Established: 1992
Federal Certification: CHDO Recertification - August, 2020
Organizational Capacity: 7 Full-time Staff and 17 Board Directors
Financial Capacity (2018): \$1,777,811 in Annual Operations and \$1,951,965 in Total Assets

CLT Proposal

The subject proposal seeks to establish a community land trust by leveraging the expertise and mission of two flagship community development organizations with origins in communities of color within Louisville's urban core. REBOUND, Inc. and Bates Community Development Corporation are examples of comprehensive community development organizations with a proven track record in responding to community need. REBOUNDS efforts are typically focused on providing high-quality housing alternatives while Bates CDC has focused on providing educational and health-related support for families and individuals. Bates CDC desires to become more ingrained in the real-estate and homeownership aspects of the Smoketown neighborhood. As such, River City Housing was invited in as an experienced developer of affordable housing and to work on behalf of Bates CDC in this effort. The CDC intends to build greater capacity to enter the housing production market and create community-serving facilities for Smoketown residents.

The proposed joint CLT intends to move forward at the speed of trust to address community concerns such as:

- Mobilizing community voices around neighborhood development;
- Mitigating the adverse potential of gentrification and property speculation;
- Addressing current housing demand, preferences in addition to urgent needs.

What do we mean by Housing Demand?

When low-income communities are subjected to the gaze of normative culture people are often stigmatized and categorized as less-fortunate victims in the ecosystem of community investment. This deficit-based perspective minimizes the reality that all people, regardless of economic status, have personal and unique preferences with regard to their desired living environment. The joint CLT approach intends to empower people by being receptive and responsive to housing preferences, rather than merely responding to desperation. The joint CLT planning effort will facilitate the provision of *housing choice* across a greater variety of viable housing options and alternatives.

Service Area: Russell and Smoketown Neighborhoods

Goal Statement:

To establish a joint community land trust by blending neighborhood representation from East End and West End "*Community Stewards*" and neighborhood allies.

What do we mean by Community Stewards?

Too often in community development residents are treated as subjects or statistics with well-meaning advocates stepping in to save the day or solve perceived community problems. We hope to shift the community development paradigm away from deficit-based, paternalistic perceptions and to acknowledge the community's inherent expertise, assets and abilities. We

intend to enhance the community's sense of agency and self-determination by recruiting and coaching community members through the process of becoming stewards of real estate within their neighborhood.

Year 1 Goals

- Initiate the community engagement process
- CLT Name: to be determined through the engagement process
- Vision Statement - to be co-created with stakeholders
- Mission Statement - to be co-created with stakeholders
- Draft By-laws
- Incorporate a new entity after exploring alternative organizational structures
- Recruit corporate members from the Russell and Smoketown neighborhoods
- Invite local professional advisors
- Identify potential board members and seek nominations from both service areas
- Elect Board Members
- Apply for 501(c)(3) status

Years 2-3 Goals

- Obtain 501(c)(3) status
- Create Strategic Plan
- Acquire and hold priority properties for predevelopment and/or redevelopment
- Develop property portfolio

Year 5 Goal

- Identify sources of development capital to complete development of 10 or more units affordable housing and/or a community facility

(b) Community Engagement Objectives:

This proposal seeks to implement a co-creative community engagement process that prioritizes equity and inclusion in establishing a Community Land Trust (CLT) located in LouisvilleJefferson County. The Center for Neighborhoods will provide leadership and facilitation with the Russell and Smoketown communities. Process steps will likely include the following characteristics:

- Introducing the Development Partners to community;
- Building authentic, transparent relationships within community;
- Exposing community to CLT concepts and how or who benefits from a CLT;
- Exploring community preferences regarding a CLT;
- Confirming community priorities (demand, need);
- Facilitating open dialogue with input from current owners, aspiring homebuyers and renters; and

- Ideating with Community Stewards around preferred outcomes over the next five years. We propose a multi-pronged strategy that includes community engagement, leadership development, organizational development (capacity building, strategic planning), collaborative partnerships, and long term sustainability planning.

Our team will employ the following methods to **engage** people in community:

- Door-to-door canvassing within the focus area;
- Phone calls and emails to neighborhood leaders and contacts;
- Small group conversations as appropriate;
- Circulation of project related marketing materials through Center For Neighborhoods social media and newsletter, as well as our partners'; and
- Passive engagement opportunities as available.

A combination of direct and passive engagement strategies are the best to ensure the maximum level of engagement within a neighborhood. Direct engagement is traditional communications and person-to-person contacts. Passive engagements are intended to engage residents who either don't like traditional meetings, don't have time, or are not connected to established social networks. We will identify and implement passive engagement opportunities (such as but not limited to participating in other community events, and creation of static opportunities within the neighborhood) that allow us to bring engagement to the community and promote participation.

During this engagement period, our team will collect and transcribe all community input relevant to neighborhood preferences, needs, concerns, vision, or other relevant information in order to form the basis for neighborhood assessment and pre-planning activities. Our team will also intentionally map the location of renters in the focus area.

Our team will prepare and facilitate a series of **educational opportunities** in order to support identified community members in realizing their leadership capabilities. Investing in people will support their leadership of the project over the long term and will provide tangible, positive experiences for them. Educational opportunities will include:

- Asset-Based Community Development
- Community Organizing
- Neighborhood Institute Topics as appropriate (not a full institute)
 - Communication skills
 - Project planning, management and budget
 - Leadership and Teamwork
 - Neighborhood assessment and quality of life indicators

Our team will work with this group on **organizational development**, co-creating a committee structure, purpose, long-term sustainability plan. This will provide ownership for residents of the committee itself and an organized approach to resident oversight of the project.

Stages of	Engagement Plan Objectives	Duration
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Engagement		
PHASE 1:	Community Engagement Communicate project details and goals. Encourage participation in upcoming project efforts. Identify key leaders in order to form a leadership committee/eventual board members. Gather early input for neighborhood needs, desires, and vision.	6 months
PHASE 2:	Resident Leaders/Board of Directors receive Leadership training, Capacity building Work with the identified group to develop their individual leadership skills and group capacity. Work with identified community group to develop their committee structure, goals, and function. Facilitate a strategic action plan for the Board.	6 months
PHASE 3:	Long-term Implementation centered around Resident Ownership Maintain resident ownership and accountability/reporting mechanisms across the board.	Ongoing

(c) Housing Development & Nonresidential Development in support of Housing

Ultimately, the plan for housing development will be developed in coordination with the community engagement process and collaborative partnerships in designing the joint CLT strategic plan and identifying real property sites in the Smoketown and Russell neighborhoods. Preliminary feedback from both communities indicates a priority on affordable rental options, affordable homeownership for wealth creation and the desire for investment in creating community facilities, greater food access and retail amenities in support of residents.

(d) Homebuyer & Resident Identification -

There are also few homes in higher income affordability groups. This small supply decreases the chances that Louisville families whose income is above **100% AMI** will look for a home in Northwest Core.

The joint CLT recognizes the importance of providing housing choices across the socioeconomic spectrum because “affordability” is a relative measure based on household income. Consistent with the Housing Needs Assessment, Russell area indicators point to the need for homeownership opportunities for households in the 60% to 80% range of Area Median Income. When housing production can provide more homeownership alternatives for households in this range, it would potentially open up more rental alternatives for lower-income families as former renters become homeowners through the CLT.

Over half of all families in Downtown earn 30% AMI or less, but the market area only has enough affordable homes for 55 percent of these low-income families.

This shortage of affordable and available units for the lowest income families creates an affordability gap for all households earning below 50% AMI.

While there are families in the Smoketown area that aspire to homeownership, the indicators from the Housing Needs Assessment point to the immediate need for rental or lease-purchase opportunities for households in the 30% to 50% range of Area Median Income.

(e) Sustainability - revenue, effective cost controls, and sufficient reserves

Portfolio revenue will be the primary driver of the joint CLT sustainability strategy. While the CLT will explore methods of diversifying revenue sources, strategic leasing and transactions fees will be established to ensure the CLT is adequately funded to meet or exceed its long-term stewardship obligations. Sources of portfolio revenue may include ground lease fees, ground rent, transfer fees, optional service or maintenance fees for homebuyers; as well as conventional rent receipts from rental activities. Surplus revenues from early activities will primarily be directed toward funding the CLT’s operational reserve and maintenance reserve to protect the CLT portfolio.

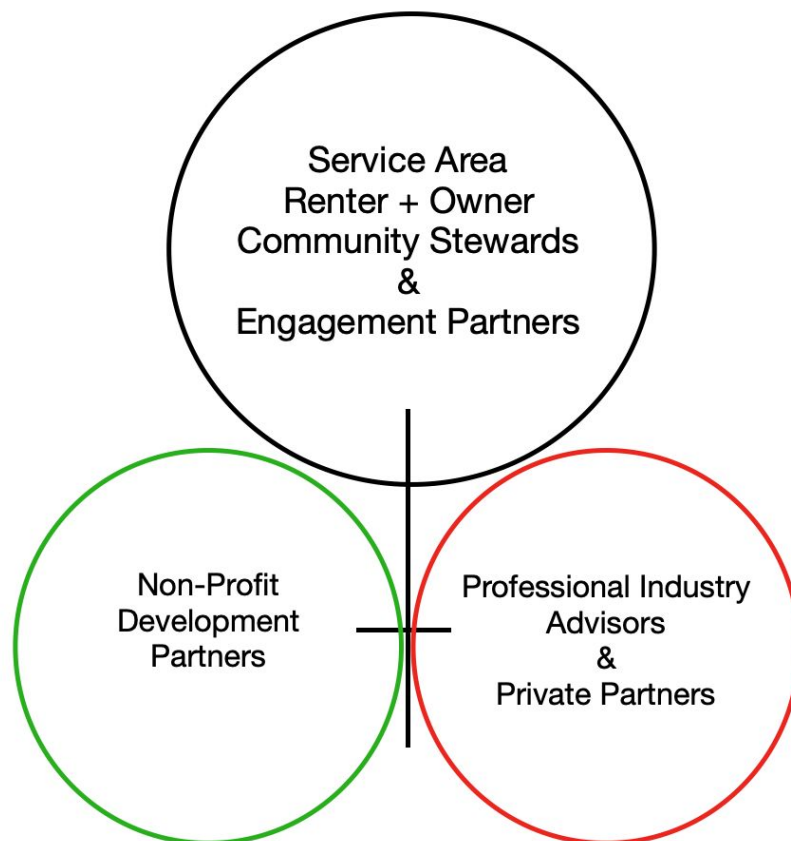
The CLT staff and directors will use the initial three years of activity to identify and secure development capital for additional project undertakings to support and expand the portfolio. Resources will be generated through collaborative partnerships with private donors (financial or donated assets), social enterprise investors, public sector and quasi-public sector funders, local philanthropy and national philanthropy. With regard to coordination with Develop Louisville, the proposed CLT would work with the Urban Renewal Commission and the Landbank Authority to secure appropriate sites at nominal cost to seed the CLT real estate development portfolio. Furthermore, the proposed CLT would seek dedicated, ongoing operational support from the Administration and the Metro Council. Finally, Initial CLT staff positions could be supported

from operational resources at REBOUND and Bates, CDC to ensure organizational continuity over the initial five years.

Experience

(a) Proposed Initial Governing Board

Between the Lead Respondent, Development Partners and the Community Engagement Partner there is a wealth of experience in each facet required to successfully stand up a community land trust and to properly steward the resources and real estate for mission-driven development outcomes. Collaborative partnerships with real estate and finance professionals will be established to create an inclusive and informed dynamic with community representatives and residents.



Joint CLT Proposed Initial Board Structure & Composition

The enclosed resumes demonstrate decades of combined experience and demonstrated expertise in all aspects of community and real estate development in the Louisville community.

Project Management	REBOUND, INC. River City Housing	CHDO - - Affordable Single Family Homeownership
Land Acquisition	REBOUND, INC. River City Housing	CHDO - Affordable Single Family Homeownership
Leasing Agreements	REBOUND, INC. Rivory City Housing	13 Unit Rental Portfolio Franklin School Apartments
Loan and Grant Management	REBOUND, INC. River City Housing	NSP - HOME - AHTF
Serving Low-Moderate Income Populations for Homeownership	REBOUND, INC. River City Housing	Certified CHDO's
Community Engagement & Programming	Center for Neighborhoods	Vision Russell Wheelhouse Project

Center For Neighborhoods' almost 50 year history of successful community partnerships, completed neighborhood improvements, and community led visioning is unmatched in Louisville neighborhoods. CFN continues to focus on ground-up engagement and leveraging partnerships to see tangible, impactful neighborhood change that is owned by residents and enhances their quality of life. CFN has deep relationships in both Smoketown and Russell neighborhoods - organized neighborhood associations in both neighborhoods, facilitated community conversations in each community for special projects - Vision Russell outreach and survey work for Action items; Wheelhouse project survey and facilitation of strategic planning in Smoketown; Smoketown Neighborhood Association; TA to Smoketown assoc.; Walkability and Graffiti study of Smoketown - all this within the last couple of years.

Capacity

(a) Organizational Expansion Strategy - Staffing & Integration

In order to dedicate adequate resources to implement the joint CLT both REBOUND, Inc. and Bates CDC intend to add one additional, full-time staff person to their respective operations. Funding for these new additions would be supported by the CLT seed funding and their time will be dedicated to carrying out specific duties related to furthering the work of the CLT in Russell and Smoketown, respectively. Just as the proposed CLT is a joint effort, addressing housing demand in both the Eastern and Western portions of the urban core, the development partners will create a staff-sharing arrangement and work in an integrated fashion to achieve common goals and development outcomes that are appropriate for each service area under the auspices of the proposed CLT. Bates CDC will work closely with River City Housing to equip the CLT staff person in Smoketown with a comprehensive understanding and working knowledge of Smoketown-specific real estate dynamics, including ongoing housing efforts like the East Breckenridge Corridor initiative and the former Wheelhouse Project property. Likewise, REBOUND will rely on its existing staff to properly orient a new CLT staffer on the unique dynamics of real estate and housing demand in the Russell neighborhood.

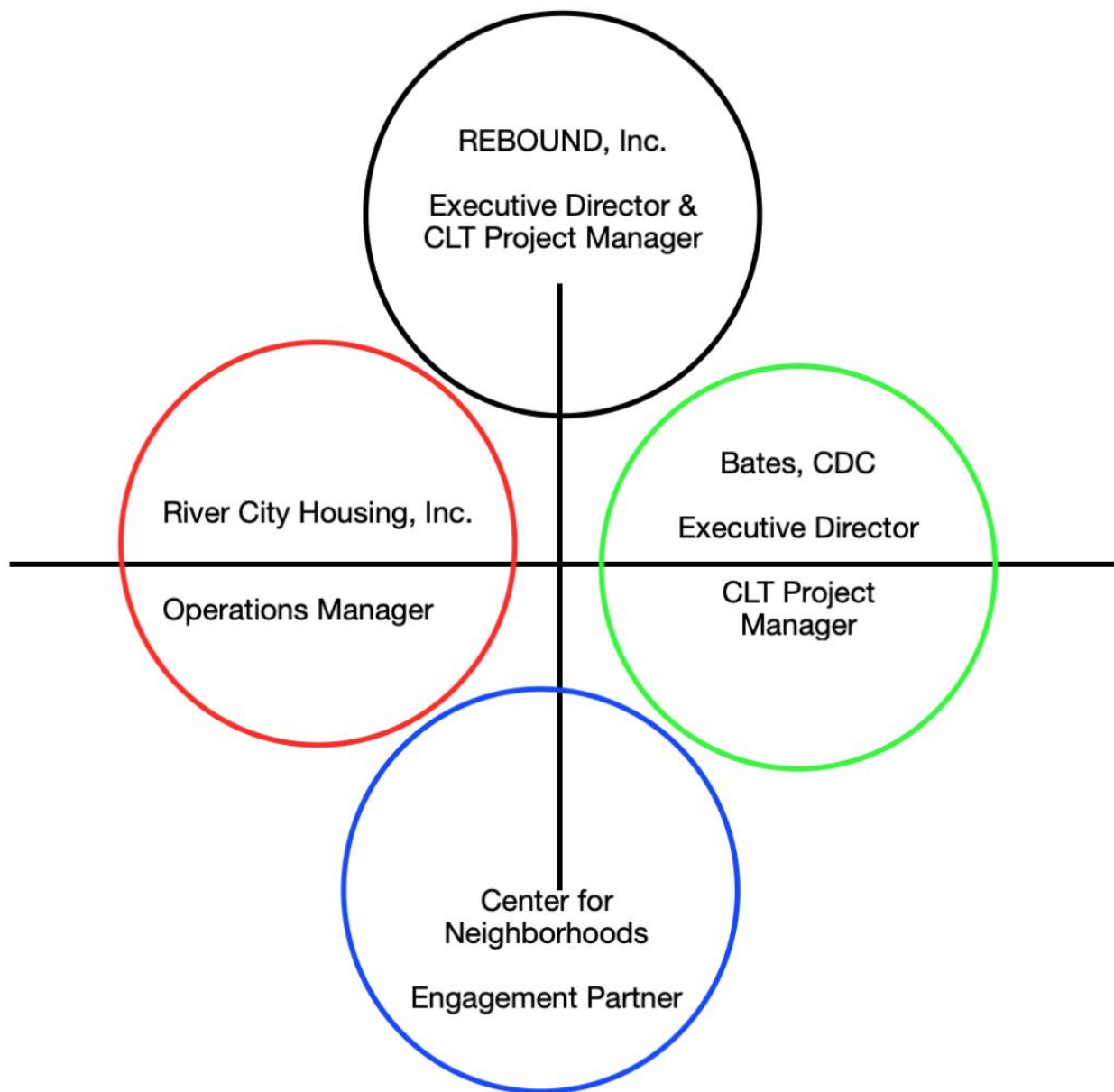
Collaborative Relationships

Opportunities for collaboration abound in the urban core. For example, Bates CDC is ideally positioned to develop housing initiatives in partnership with the Smoketown Neighborhood Association, Neighborhood Planning Advisory Group, Youthbuild Louisville and its affiliated faith-based institution, Bates Memorial Baptist Church, that currently holds underutilized real-estate in the Smoketown Neighborhood. There will also be opportunities to work closely with the Louisville Metro Housing Authority to close the loop on the remaining undeveloped portions of the Sheppard Square HOPE VI development.

REBOUND is uniquely positioned to collaborate with the Louisville Urban League's homeownership and rental counseling agency, the Center for Housing & Financial Empowerment, the Russell Neighborhood Association, the Russell Place of Promise initiative; as well as the local Landbank Authority and Urban Renewal Commission, both of which are administered by Develop Louisville.

While REBOUND will be focused on equitable development outcomes for new and existing Russell residents, homeownership and rental counseling services are available to participants in both service areas.

Joint CLT Initial Interim Operational Structure



[Interim CLT Project Manager Job Description](#) - and [Anticipated Permanent CLT Positions](#)

(b) Technical Assistance Requirements

Given the exploratory and innovative nature of this undertaking there will be an ongoing need for technical assistance and advisory support from national practitioners and subject matter experts in the field of community land trusts. Our local network of community development professionals has taken time to participate in workshops and listening sessions hosted by Develop Louisville and reached out to established CLT's in Lexington, Kentucky, Texas and New York. We understand that adopting local strategies will depend heavily on state and local legal parameters in the Commonwealth. We also acknowledge that neighborhood level strategies need to be responsive to differing resident demand and preferences. Given the joint nature of the proposed approach we anticipate adopting a hybrid approach in the establishment and implementation of this particular CLT.

One primary type of assistance will focus on the legal and accounting services needed to meet the initial objectives of formalizing the entity, outlining an equitable governance structure and developing internal controls and asset management procedures. Beyond the operational considerations, there will be opportunities to invite technical assistance from thought leaders such as the Grounded Solutions Network and the Center for Community Progress. Important practical issues to explore will include real property taxation, property insurance provisions and the overall impact of introducing CLT properties on neighborhood property values. We also expect to work with national philanthropic interests like the Kresge Foundation through their American Cities Program and Shared Prosperity initiative.

Otherwise, initial technical assistance will be focused on sustainability measures related to effective budgeting, cost management, cost-benefit analysis, long-term fundraising and stewardship planning.

Proposed Budget - Joint CLT

2,440,000	Proposed Budget
440,000	Total Administration (18%)
200,000	Technical Assistance
80,500	Community Engagement
5,000	Legal Estimate
5,000	Accounting Estimate
149,500	Staffing - Staff Support
10 Units	Development
Per Unit Est.	200,000
2,000,000	TDC
Other Potential Sources:	
Metro Affordable Housing Trust Fund	
KY Affordable Housing Trust Fund	
LHOME	
PARK CDCU - NSpire	
Philanthropy	
Republic Bank	
PNC Bank	
Liberty Bank	
Section 8 HO Vouchers	
Federal Home Loan Bank	

Proposed Budget Narrative

The proposed budget addresses both the administrative, community organizing and predevelopment implications of the proposed joint CLT. Administrative costs are approximately 18-20% of the total amount requested in this response. Staffing includes two full-time Project Manager positions dedicated to the Russell and Smoketown neighborhoods, respectively, and part-time support from the River City Housing Operations Manager. Years 1-3 will be heavily focused on investing in community dialogue, establishing long-term partnerships and standing up the legal and financial structure of the joint CTL. The balance of funding requested will be directed toward pre-development and redevelopment activities to meet the goal of producing ten or more units of affordable housing. Although the joint CLT budget total **exceeds** the amount of funds available through this RFP, the development partners feel the budget presented is a conservative and pragmatic estimate of the resources needed to cover the initial three years of CLT activities. Particularly, the per unit estimate of \$200,000 is informed by the development partners' actualized outcomes in housing development over the most recent eighteen months. It includes the cost of Acquisition, Holding Costs, Construction and Contingencies. Outcomes will vary, for the better or worse as the labor and materials markets are in considerable flux given recent policy changes at the federal level and with the advent of the current worldwide pandemic.